

California Children and Families Commission

The Value of Prop. 10 Revenues

Over a Decade of Research Proves Cost-Effective Investments in Children and Anti-Smoking Programs Save Dollars and Lives

- Early and comprehensive **prenatal care** saves \$3 for every one dollar invested. (*U.S. House Select Committee on Children, Youth and Families, 1990, Brown and English, 1994*)
- Research shows that **high-quality child care** before age three can improve children's scores on reading and math tests when they enter school. (*Caughy, DiPietro and Strobino, 1994, in Illig, 1998.*)
- Every \$1 spent on high quality **pre-school** programs for at-risk children saves \$7-\$10 through reduced need for special education, reduced juvenile crime, reduced welfare costs and higher adult earnings. (*U.S. House Select Committee on Children, Youth and Families, 1990; High Scope Educational Research Foundation, 1993; Rethinking the Brain: New Insights into Early Development, Appendix B, Families and Work Institute.*)
- Every dollar invested in **childhood immunization** saves, on average, \$10 in costs for hospitalizations and other treatments. (*U.S. House Select Committee on Children, Youth and Families, 1990, Brown and English, 1994*)
- A study published by the Families and Work Institute showed that an investment of \$10,000 per year for one child yields an estimated minimum savings to society of approximately \$100,000 per child. These savings are reflected in reduced spending on special education, welfare and juvenile crime. (*Rethinking the Brain: New Insights Into Early Development, Appendix B, Families and Work Institute, 1997*)
- The cost of providing smoking cessation assistance to the estimated 350,000 pregnant smokers seen in public health clinics would be approximately \$1.75 million compared with an estimated \$37 million in costs associated with excess low birth weight, producing a cost-benefit ratio of \$1 to \$21. (*U.S. Select Committee on Children, Youth and Families, 1990*)
- In the ten years since California voters approved Proposition 99, a twenty-five cent tax on cigarettes, smoking has decreased in California by one-third. Since Proposition 10 was enacted, tobacco product purchases have decreased 30 percent. (*California State Board of Equalization*) According to studies by the National Cancer Policy Board and others, the decline is likely to be the greatest among teenage smokers who are the most sensitive to price increases.
- For each dollar spent on substance abuse treatment services, more than \$11 are saved in social costs. (*U.S. Department of Health and Human Services, Center for Substance Abuse Treatment, 1994*)
- Treatment of substance abusers in the California public system in 1991 saved \$1.4 billion in reduced criminal activity and health care utilization over a two-year period – a 7-to-1 ratio of benefits to costs. (*Report submitted to the State of California Department of Alcohol and Drug Programs, 1994; U.S. Department of Health and Human Services, Center for Substance Abuse Treatment, 1994*)